

## Postal Regulatory Commission

Washington, D.C. 20268-0001

### NOTICE OF FILING UNDER 39 U.S.C. § 404(d)

TO THE UNITED STATES POSTAL SERVICE:

Please take notice that on November 23, 2011, the Commission received a petition for review of the Postal Service's determination to close the Harris post office located in Harris, Iowa. The petition for review was filed by Jeff Loring, Mayor of the City of Harris (Petitioner) and is postmarked November 17, 2011.

This notice is advisory only and is being furnished so that the Postal Service may begin assembling the administrative record in advance of any formal appeal proceedings held upon the alleged (closing/consolidation) for transmittal pursuant to 39 CFR § 3001.113(a) (requiring the filing of the record within 15 days of the filing with the Commission of a petition for review).



Ruth Ann Abrams  
Acting Secretary

Date: December 7, 2011

Attachment

THE CITY OF HARRIS  
Harris, Iowa 51345

A2012-80

RECEIVED

November 15, 2011

Received

2011 NOV 23 P 2:14

Ms. Ruth Goldway, Chairman/Secretary  
Postal Regulatory Commission 901 New  
York Ave. NW, Suite 200 Washington, D.C.  
20268-0001

NOV 23 2011

Office of PAGR

POSTAL REGULATORY  
COMMISSION  
U.S. DEPARTMENT OF COMMERCE

Subject: Petition for Review of the Harris Iowa Post Office Final Determination To Close/Appeal Docket  
Number 1366304-51345

Dear Chairman/Secretary Ruth Goldway:

The purpose of this letter is to respectfully request an appeal or petition for review of the Harris Iowa Post Office Final Determination To Close. Please find attached to this letter a copy of the Postal Service written determination for your referral. I am a person served by the affected post office. This request for an appeal is based on the reason that it is challenging the sufficiency of the Postal Service's Final Determination. The factors relied on by the Postal Service are erroneous.

The Postal Service's determination regarding "the effect on the community" is disingenuous, flawed, incomplete and should be remanded. The extent of the impact of closing this post office is simply inadequate in its explanation as to the true impact. Population of individuals served are not referenced, long lasting impacts are not even mentioned. The ability of the community to attract new economic development opportunities or to keep those businesses in the community cited in the determination are not discussed. Postal Services savings seem to be the only point that is stressed in the determination without any discussion of possible financing alternatives as a business would normally investigate and should be indicated as financing alternatives in this determination. Negative impacts to the community are not even referenced - with negatives only discussing the loss of a retail outlet. The Postal Service's determination appears to be based mainly on a decision to close because it will save from approximately \$20,933 to \$24,363 per year. There are no alternative suggestions or are there any suggestions for alternative financing that could be provided from various local sources. There has been no requests for the same, yet, a decision to close has occurred without these alternatives. This is why the Postal Service's Determination is simply not sufficient and the decision to close should be remanded. The impact on the cited existing businesses are not even referenced with no consideration as to the needs of the same for a local Post Office. While Title 39 section 404(d)(2)(A) does not explain what constitutes sufficient or how effect is defined, it is logical to conclude that this long lasting and negative decision has far greater impacts than what has been indicated in the determination and most certainly it is disingenuous to state that "Based on the information obtained in the course of this discontinuance study, the Postal Service concludes this final determination will not adversely affect the community." To say that there are no adverse impacts does not mean in reality that there will be no adverse impacts. There were five Post Offices in Osceola County Iowa and the closing of this office along with another postal closing represents 40% of the existing communities in this county will be adversely impacted. What new business will want to relocate or expand in a community that does not even have a post office? The Postal Service's decision based only on cost savings certainly does not take into consideration the lost economic development opportunities that the community will no longer have.

The Postal Service's determination of "whether a maximum degree of effective and regular postal service will be provided" is erroneous and should be remanded. In section I of the determination, it is referenced that the Harris office was studied for possible closing or consolidation due to the following

reasons: Study for discontinuance is based on declining volumes, declining workload, revenue, and the ability of the Postal Service to provide effective and regular service by an alternate means. This statement itself indicates that the Post Office is incapable of providing "maximum degree of effective and regular postal service". Yet, the determination references the same services shall be available at the Ocheyedan, Iowa Post Office, with significant fewer service issues and most certainly changed ones. This section of the Determination does not demonstrate a maximum degree of effective and regular postal services to the community. For example, there is no reference of alternative service options such as commercial mail providers as a viable service option or other similar means. Simply stated while the disadvantages of the proposal listed in the determination do not appear to be significant, they are in their long term impact.

The Postal Service's determination of "the economic savings to the Postal Service", as stated earlier, seems to be the primary focus of the determination and the heart of the Postal Service's determination, yet, to this author, has failed to satisfy the salient statutory provisions. This failure is based on the fact that this should not be the primary reason for the closing determination as implied in the statutory authorization. Here is an example as to why this conclusion has been reached – there are other business alternatives for financing the office for which there is no reference to at all in the determination. Local resources to assist in the financing of the office is most certainly an available option, but the Postal Service did not even make an inquiry if such might be available. The cost to keep the Post Office open is not out of the reach of community or other local financing alternatives. This determination simply has made a decision that it is to close and that is the end to the matter.

Therefore, based on the reasons and cited within we await your response to this request. Thank you in advance for your time and consideration in this matter.

Sincerely,

City of Hamis

Mayor Jeff Long



Date of Posting: 11/07/2011

Date of Removal: 12/08/2011

FINAL DETERMINATION TO CLOSE  
THE HARRIS, IA POST OFFICE  
AND ESTABLISH  
SERVICE BY RURAL ROUTE SERVICE

DOCKET NUMBER 1366304 - 51345

## I. RESPONSIVENESS TO COMMUNITY POSTAL NEEDS

The Postal Service is issuing the final determination to close the Harris, IA Post Office and provide delivery and retail services by rural route service under the administrative responsibility of the Ocheyedan Post Office, located six miles away.

The postmaster position became vacant when the postmaster retired on March 26, 2010. Since the postmaster vacancy an OIC has been installed to operate the office. Postmaster level and office service hours are determined by a workload analysis which includes the number of deliveries and revenue.

The office was studied for possible closing or consolidation due to the following reasons: Study for discontinuance is based on declining volumes, declining workload, revenue, and the ability of the Postal Service to provide effective and regular service by an alternate means.

The Harris Post Office, an EAS-11 level, provides service from 08:00 - 12:00 13:00 - 16:15 Monday - Friday, 08:00 - 09:15 Saturday and lobby hours of 6:00am - 9:00pm on Monday - Friday and 6:00am - 9:00pm on Saturday to 85 post office box or general delivery customers and 97 delivery customers. Retail services included the sale of stamps, stamped paper, and money orders; special services such as Registered Mail, Certified Mail, Insured Mail, COD Mail, and Express Mail services; and the acceptance and dispatch of all classes of mail.

The retail window averaged 18 transaction(s) accounting for 19 minute(s) of retail workload daily. With minimal workload, the Postal Service feels that effective and regular service will be provided by rural route service. Office receipts for the last 3 years were: \$24,946 ( 65 revenue units) in FY 2008; \$25,831 ( 67 revenue units) in FY 2009; and \$21,516 ( 56 revenue units) in FY 2010. There were no permit mailer(s) or postage meter customer(s).

On April 28, 2011, representatives from the Postal Service were available at Harris Community building to answer questions and provide information to customers. 72 customer(s) attended the meeting.

On April 11, 2011, 190 questionnaires were distributed to delivery customers of the Harris Post Office. Questionnaires were also available over the counter for retail customers at the Harris Post Office. 70 questionnaires were returned. Responses regarding the proposed alternate service were as follows: 6 favorable, 23 unfavorable, and 41 expressed no opinion.

One congressional inquiry was received on April 22, 2011.

A petition supporting the retention of the Harris Post Office was received on April 20, 2011, with 127 signatures.

When this final determination is implemented, delivery and retail services will be provided by the Ocheyedan Post Office, an EAS-13 level office. Window service hours at the Ocheyedan Post Office are from 08:30-11:00 12:30- 16:00, Monday through Friday, and 08:30 09:30 on Saturday. There are 127 post office boxes available.

The proposal to close the Harris Post Office was posted with an invitation for comment at the Harris Post Office and Ocheyedan Post Office from July 11, 2011 to September 11, 2011. The following additional concerns were received during the proposal posting period:

1. **Concern:**

Customer expressed a concern about package delivery and pickup.

**Response:**

The customer expressed concern regarding services. Rural carriers will deliver packages that fit in your rural mail box, if the package does not fit in the mail box, the carrier will deliver the package up to 1/2 mile off of the line of travel, at a designated place, such as on your porch or under a carport. For carrier pick up of packages, you can contact the administrative Post Office, letting the carrier know that you have a package available for pick up. The carrier can deviate from the line of travel in order to receive packages. The rural carrier will accept letters, flats or packages up to 13 ounces for mailing. The carrier will estimate the cost and provide a receipt for any money received. On the following delivery day the carrier will provide change or a bill for the amount over the estimate. Packages over 13 ounces may be picked up if the postage was printed online or with a traceable meter.

2. **Concern:**

Customers expressed concern about misdelivered mail.

**Response:**

The customer had some concerns regarding misdelivery. The concern about misdelivery has been brought to the attention of the administrative postmaster. The Postal Service regrets any inconvenience that customers have experienced because of misdelivery. We consider misdelivered mail a very serious problem and appreciate when customers report this to us since it provides an opportunity to take corrective action. You have also stated that the Postal employee at the Sibley Post Office was rude. Employee courtesy is always a concern of postal managers. Postal employees receive periodic instructions regarding employee courtesy. We do not condone our employees' execution of their duties in an unprofessional or discourteous manner.

- They concern will be conveyed.
3. **Concern:** Customers expressed concern regarding the mode of delivery.
- Response:** The type of rural delivery has yet to be determined.
4. **Concern:** Customers expressed concern regarding the mode of delivery.
- Response:** The type of rural delivery has yet to be determined.
5. **Concern:** Customers inquired about mailbox installation and maintenance.
- Response:** The customer were concerned about who would provide snow removal for the cluster box units. Cluster box units are purchased, installed, and maintained by the Postal Service at no expense to customers. The Postal Service will contract someone to remove the snow.
6. **Concern:** Customers inquired about mailbox installation and maintenance.
- Response:** The customer were concerned that delivery to cluster box units would be more costly than keeping the present system. Cluster box units are purchased, installed, and maintained by the Postal Service at no expense to customers. Rural delivery to Cluster Box Units would be more cost efficient than maintaining a Post Office.
7. **Concern:** Customers said they would miss the special attention and assistance provided by the personnel at the Post Office.
- Response:** Courteous and helpful service will be provided by personnel at the administrative Post Office and from the carrier. Special assistance will be provided as needed.
8. **Concern:** Customers said they would miss the special attention and assistance provided by the personnel at the Post Office.
- Response:** The customer have stated that you enjoy the service at the Harris Post Office. Courteous and helpful service will be provided by personnel at the administrative Post Office and from the carrier. Special assistance will be provided as needed.
9. **Concern:** Customers stated that the government should be creating jobs, not eliminating them.
- Response:** The customer stated that the government should be creating jobs and not eliminating them. The Postal Service is not supported by tax dollars and relies on the revenue generated from the products and services they provide. The organization also is required to perform like a business. Due to the reduction of workload, the Postal Service has been aggressively trying to reduce the workforce to meet the workload. Creating more positions in this scenario would be fiscally irresponsible.
10. **Concern:** Customers were concerned about later delivery of mail.
- Response:** The customer were concerned about delivery times. The top priority of the Postal Service is to provide mail service in the most efficient manner possible because all of our costs are reflected in postage rates customers must pay. Delivery costs are one of our biggest expenses, so you can be assured that careful thought is given to the structure of each route. A customer's location on a carrier's line of travel determines the time of day mail is delivered. This, of course, precludes providing early delivery of mail to every customer because, no matter how we structure a route, somebody must be last. We do, however, carefully consider the volume of mail for each route so that we can deliver the greatest amount of mail at the earliest possible hour. With the largest fleet of delivery vehicles in the world, to minimize vehicle and fuel expenses we must also pay special attention to energy conservation measures. When the price of gasoline goes up one cent per gallon our total gasoline cost rises more than \$1 million. Therefore, when structuring a route, we must balance our goal to deliver as much mail as possible as early as possible with the need to minimize the travel distance a route must cover. We do regret the inconvenience to customers who would like, but cannot receive, early mail delivery. For those customers we offer alternative delivery services,

such as Post Office box service that provide access to their mail earlier and throughout the day.

11. **Concern:**

Customers were concerned about later delivery of mail.

**Response:**

The customer were concerned about maintaining 9:00 am delivery. The top priority of the Postal Service is to provide mail service in the most efficient manner possible because all of our costs are reflected in postage rates customers must pay. Delivery costs are one of our biggest expenses, so you can be assured that careful thought is given to the structure of each route. A customer's location on a carrier's line of travel determines the time of day mail is delivered. This, of course, precludes providing early delivery of mail to every customer because, no matter how we structure a route, somebody must be last. We do, however, carefully consider the volume of mail for each route so that we can deliver the greatest amount of mail at the earliest possible hour. With the largest fleet of delivery vehicles in the world; to minimize vehicle and fuel expenses we must also pay special attention to energy conservation measures. When the price of gasoline goes up one cent per gallon our total gasoline cost rises more than \$1 million. Therefore, when structuring a route, we must balance our goal to deliver as much mail as possible as early as possible with the need to minimize the travel distance a route must cover. We do regret the inconvenience to customers who would like, but cannot receive, early mail delivery. For those customers we offer alternative delivery services, such as Post Office box service that provide access to their mail earlier and throughout the day.

12. **Concern:**

Customers asked how much the Postal Service would save by switching to 5 day delivery.

**Response:**

The Postal Service proposes that switching to 5 day delivery could potentially save the Postal Service \$3 billion a year.

13. **Concern:**

Customers asked why their post office was being discontinued while others were retained

**Response:**

The customer asked why the suspended post office was being discontinued while others were retained. Post offices are reviewed on a case-by-case basis. When there is a vacancy in a small office, it is customary to conduct a study of the business activity and investigate the feasibility of providing service by alternate means.

14. **Concern:**

Customers expressed concern about collection of outgoing mail.

**Response:**

Collection of mail will be made by the carrier when serving the route. The customer should raise the flag on the mailbox to alert the carrier that outgoing mail is to be collected from the mailbox. All mail will be postmarked and sent to the plant.

15. **Concern:**

Customers inquired about cluster box unit installation and maintenance.

**Response:**

Cluster box units are purchased, installed, and maintained by the Postal Service at no expense to customers.

16. **Concern:**

Customers questioned as to if the rural carrier could handle the extra workload.

**Response:**

Rural carriers are paid based on an evaluation of the route. Many routes can be added to before they meet an overburdened status. Deliveries will be added to routes as needed. If all routes have been filled, an auxiliary route which would be served by an existing employee

17. **Concern:**

Customers questioned as to why the Postal Service couldn't simply raise rates to offset the losses.

**Response:**

The Postal Service is facing competition from electronic communications. As a result, it is imperative that they continue to keep rates low to entice customers to continue using the Postal Service. Rates have been raised but at a nominal rate to maintain our current customers.

18. **Concern:** Customers questioned as to why the Postal Service is considering the closing of large facilities, such as finance stations in larger communities, when they are turning a profit.
- Response:** The Postal Service is seeking means to perform services in a more efficient manner. The Postal Service is searching for ways to redirect retail and delivery traffic to achieve more efficiency.
19. **Concern:** Customers questioned as to why the Postal Service was spending money on this study and the purchasing of CBUs.
- Response:** The Postal Service is forced to change the way business is performed. As a result, studies are necessary to make changes within the laws and regulations. The Postal Service views these studies as investments for the future.
20. **Concern:** Customers questioned the economic savings of the proposed discontinuance
- Response:** Carrier service is more cost-effective than maintaining a postal facility and postmaster position. The Postal Service estimates \$32,347 annual savings.
21. **Concern:** Customers wanted to know why a nearby postmaster wasn't required to fill the position in Harris.
- Response:** The Postal Service cannot force a postmaster to go to another post office on a permanent basis at this time. There is also a hiring freeze on any promotions or laterals.
22. **Concern:** Customers were concerned about obtaining accountable mail and large parcels
- Response:** If you live less than one-half mile from the line of travel, the carrier will attempt delivery of accountable items and large parcels to the customer's residence. If the live over one-half mile away or is not home when delivery is attempted, a notice will be left in the mailbox. Large parcels will be left outside the mailbox or at a designated location or a notice will be left in the mailbox. Attempted delivery items will be taken back to the administrative Post Office. Customers may pick up the item at the post office, request redelivery on another day or authorize delivery to another part
23. **Concern:** Customers were concerned about the Officer in Charge's employment.
- Response:** The OIC is an employee from another office and will return to her office in the event of a discontinuance. A new clerk contract is under consideration which will allow more options for PMRs to apply for Postal Employment with limited benefits.
24. **Concern:** Customers wondered if it was possible for 1 postmaster to overlook several Post Offices to save money.
- Response:** The Post Office is considering several different options at this time including a restructuring of the management duties of postmasters. However, at this time this option is not being considered when effective and regular service can be provided to the community through a more cost efficient alterate means.
25. **Concern:** Customers wondered if there would also be a savings since the star route truck wouldn't be required to stop at the Harris Post Office.
- Response:** The Star Route stop in Harris would be eliminated. Therefore, there would be a costs savings.

**Some advantages of the proposal are:**

1. The rural and contract carriers may provide retail services, alleviating the need to go to the post office. Stamps by Mail order forms are provided for customer convenience.
2. Customers opting for carrier service will have 24-hour access to their mail.
3. Savings for the Postal Service contribute in the long run to stable postage rates and savings for customers.



4. CBUs can offer the security of individually locked mail compartments. Parcel lockers provide convenient parcel delivery for customers.
5. Customers opting for carrier service will not have to pay post office box fees.
6. Saves time and energy for customers who drive to the post office to pick up mail.

**Some disadvantages of the proposal are:**

1. The loss of a retail outlet. Retail services may be provided by the rural or contract delivery carrier.
2. Meeting the rural or contract delivery carrier at the box to transact business. However, it is not necessary to be present to conduct most Postal Service transactions.
3. A change in the mailing address. The community name will continue to be used in the new address. A carrier route address will be assigned.

Taking all available information into consideration, the Postal Service concludes this final determination will provide a maximum degree of effective and regular postal services to the community.

## II. EFFECT ON COMMUNITY

Harris is an incorporated community located in OSCEOLA County. The community is administered politically by Mayor and council. Police protection is provided by the Osceola County Sheriff. Fire protection is provided by the Harris Fire Department. The community is comprised of retirees, commuters, and self-employed residents and those who commute to work at nearby communities and may work in local businesses.

Businesses and organizations include: Harris United Methodist Church, Harris Economic Development, CEA BB Sales, Brueggeman Farms, Expressions, Dugout Creek Design, Southpaws, Test of Time, Five Star Catering, Clain Link Express, Sunrise Farms, RL Construction, NNK Partnership, Outback, KIN Pork Inc, DJ Lorch, LTD May City, Fire Dept, Harmon Oil, Hibma Family Farms, M&R Construction, Klaassen Trucking, Bosma Trucking, HET Club Store, Pampered Chef Ellen Bosma, Clipper Windpower, Westview Dairy, VanderVeen Calf Ranch, Vellema Dairy, Karen Witt Daycare, DD Boots Dairy, Portable Welding, Recher Partnership, Reisburg Construction, Walhoef Farms, MCM Fabrication, Stony Creek Pork, 3B Electric, Peterson Construction, DC Construction, Handy Man Service, Bull Dog Powerwash, DJ72 Inc, Ricks Greenhouse, Ravling Construction, Birdsell View Gardens, Raye Trucking, United Methodist Church, Jessica Smith AVON, Roberston Mechanical, Stan Clubs Ebay, Harris Fire Dept, Forbes Meat Grocery, City of Harris HLP School, Heath Auto. Residents may travel to nearby communities for other supplies and services.

Nonpostal services provided at the Harris Post Office will be available at the Ocheyedan Post Office. Government forms normally provided by the Post Office will also be available at the Ocheyedan Post Office or by contacting your local government agency.

The following nonpostal concerns were expressed from questionnaires, the community meeting, on the petition, and on the congressional inquiry:

- |                    |   |
|--------------------|---|
| 1. <b>Concern:</b> | Customers expressed concern for loss of community identity.   |
| <b>Response:</b>   | The customer were concerned that a discontinuance of the Harris Post Office would "kill" the community. A community's identity derives from the interest and vitality of its residents and their use of its name. The Postal Service is helping to preserve community identity by continuing the use of the Community name and ZIP Code in addresses. |
| 2. <b>Concern:</b> | Customers were concerned about loss of employment in the community.   |
| <b>Response:</b>   | The postmaster position is vacant and there is no guarantee that any replacement postmaster would be from the community.  |

Based on the information obtained in the course of this discontinuance study, the Postal Service concludes this final determination will not adversely affect the community.

## III. EFFECT ON EMPLOYEES

The postmaster position became vacant when the postmaster retired on March 26, 2010. The noncareer postmaster relief (PMR) may be separated from the Postal Service. No other Postal Service employee will be adversely affected. Since the postmaster vacancy an OIC has been installed to operate the office.

## IV. ECONOMIC SAVINGS

The Postal Service estimates an annual savings of \$ 32,747 with a breakdown as follows:

Postmaster Salary (EAS-11, No COLA)	\$ 33,168
Fringe Benefits @ 33.5%	\$ 11,111

Annual Lease Costs

+ \$ 1,600

Total Annual Costs

\$ 45,879

Less Annual Cost of Replacement Service

- \$ 13,132

Total Annual Savings

\$ 32,747

#### **V. OTHER FACTORS**

The Postal Service has identified no other factors for consideration.

## VI. SUMMARY

This is the final determination to close the Harris, IA Post Office and provide delivery and retail services by rural route service under the administrative responsibility of the Ocheyedan Post Office, located six miles away.

The postmaster retired on March 26, 2010. If the office has a noncareer PMR(s), they may be separated from the Postal Service; however, attempts will be made to reassign the employee(s) to a nearby facility. No other employee(s) will be adversely affected. The workload has declined. Effective and regular service will continue to be provided by rural route service.

The Harris Post Office provided delivery and retail service to 85 PO Box or general delivery customers and 97 delivery route customers. The daily retail window transactions averaged 18. There are no permit mailers or postage meter customers.

There will no longer be a retail outlet in the community. However, delivery and retail services may be available from a rural or contract delivery carrier, which could alleviate the need to travel to a Post Office for service. The Postal Service will save an estimated \$32,747 annually. A disadvantage to some will be in meeting the rural or contract delivery carrier to transact business. However, it is not necessary to be present to conduct most Postal Service transactions with rural or contract delivery carrier.

Taking all available information into consideration, the Postal Service has determined that the advantages outweigh the disadvantages and this final determination is warranted.

## VII. NOTICES

- A. **Support Materials.** Copies of all materials upon which this final determination is based are available for public inspection at the Harris Post Office and Ocheyedan Post Office during normal office hours.
- B. **Appeal Rights.** This final determination to close the Harris Post Office may be appealed by any person served by that office to the Postal Regulatory Commission at 901 New York Ave NW, Suite 200, Washington DC 20268-0001. Appeals must be received by the Commission within 30 days of the date this final determination is posted. If an appeal is filed, copies of appeal documents prepared by the Postal Regulatory Commission or the parties to the appeal will be made available for public inspection at Harris Post Office and Ocheyedan Post Office during normal office hours.



Dean J Granholm  
Vice President of Delivery and Post Office Operations

10/24/2011

Date